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1. The Skoda Works, the largest steel and ordnance factory in Central Europe, was founded in 1865 or thereabouts by an Austrian subject named Emile Skoda. Originally a gray-iron foundry, it was soon developed and enlarged by the addition of a steel foundry, a forging shop, and a general machinery department. Toward the end of the century, the works developed several types of field pieces for the Austro-Hungarian artillery. This line of manufacture became at length the most important activity of the plant. The existing foundry and forging shop were utilized for production.

2. Prior to World War I, several types of weapons were developed in the plant; the most famous was the 30.5-cm. mortar, and subsequently the 42-cm. mortar.

3. In collaboration with the Austrian firm Austro-Daimler and the well-known German engineer anddesigner, Ferdinand Porsche, an interesting method of transportation was also developed. This consisted of a generator car producing direct-current electricty which provided power for several trailer units equipped with tractor motors on each axle. There were three or four of these units attached to each generator car.

4. The revision of frontiers following World War I brought the Skoda Works within the Czechoslovak frontier with the result that the plant became the armory for the new Czechoslovak republic, together with its neighbors and allies. Since most industrial leaders were convinced in 1920 that the armament industry had a bleak future, a peacetime program was initiated which entailed the manufacture of the following items:

   a. locomotives

   b. steam-driven automobiles and trucks

   c. aluminum and brass foundry

   d. motor plows

   e. airplanes and airplane engines

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f. Diesel engines

g. farm tractors

h. steam and engine rollers

i. power excavators

j. machine tools

k. cigarette machines

l. cream separators

5. The Skoda plant was greatly enlarged by mergers which added plants located outside of Pilsen in Smichov, Hradec Kralove, Mlada Boleslav, Cakovice, Adamov, Komarno, and other places.

6. Before and during World War I, the equipment of the metallurgical shops of the Skoda Works was increased and adapted to the manufacture of the largest pieces. At the beginning of this century, the Niagra Falls Power Company purchased from Skoda the large castings which it used for main water lines. Skoda also supplied the huge steel castings for the hull of the French liner Normandy. Besides the many large gun barrels, the forging shops furnished many crank shafts for steamship engines, high pressure boiler forgings, and other machinery.

7. This peacetime program continued until 1929, when the depression halted further development. The Skoda Works have always been sensitive to the world business situation, since the size of the plant makes it necessary to export a substantial part of production. When the Nazis rose to power in Germany, neighboring states were forced to rearm, with the result that the Skoda Works, after several years of restricted operations, returned to the production of weapons. Orders were filled not only for the Czechoslovak government but also for the other members of the Little Entente, Yugoslavia and Rumania, which purchased a large number of guns and military vehicles. After 1933, Skoda began to develop the fighting tank with tracks in place of the former armored car with wheels.

8. After experimenting with a very small tank of the Carden-Lloyd type, in 1934 the Skoda Works brought out a 10½-ton tank with a 37.2-mm. gun mounted in the turret and two Bren machine guns. Some of these tanks were furnished to the Czechoslovak army, but the occupation of Czechoslovakia by the Germans curtailed further development, since new models being introduced better suited the needs of the German army. However, the manufacturing license for the Skoda 17½-ton tank was sold in 1941 to Hungary where it was produced under the name of Turany.

9. Source has only superficial knowledge of the development of guns at the Skoda Works, since his specialty was military vehicles, but he nevertheless made certain observations. Existing field artillery units were modernized after 1933 and adapted to motorized traction. Anti-aircraft guns had been under development since 1924. Two types, the 56-mm and the 75-mm, reached the final stage of development, but they were discontinued in favor of the German 88-mm. A new howitzer of 150 mm, with a split-tail carriage on pneumatic tires, having a range of 18 kilometers, was perfected, and a series of several hundred were produced for Yugoslavia and Rumania. In addition, special tank and anti-tank

guns ranging from 37 to 75 mm. were introduced and tested about ten kilometers west of Pilsen. Tunnel shooting was done at Bolevec, located 12 km. north of Pilsen, and target shooting at Hlboka in Slovakia, a locality near Senica, about 40 km. east of the railroad station at Malacky on the main line between Prague and Bratislava.

10. Skoda and Zbrojovka Zbrojovka, originators of the Bren machine gun, reached an agreement whereby Skoda abandoned the development of automatic weapons of any size, while Zbrojovka agreed to give up the manufacture of automobiles. This arrangement proved to have disadvantages later on when Skoda wanted to work on up-to-date anti-tank and anti-aircraft guns.

11. Skoda developed a long-range motorized 210-mm coast artillery gun which was transported in three units--barrel, mount, and ground plate. It was ready for manufacture at the time World War II broke out. Twelve pieces were sold to Sweden, and another 24 were ordered by Turkey, but for political reasons the Germans would not authorize the latter delivery. The materials which were in a stage of semi-completion in the factory fell to the Russians when the war ended. The full delivery to Turkey has not yet been made.

12. When the Skoda Works experienced financial difficulties after World War I, the participation of French capital was solicited. The French group, Schneider-Creusot, bought a controlling interest and put several French directors on the board. The second largest stockholder was the Czech government. A considerable amount of stock remained in private hands and was traded on the stock exchange in Prague and Vienna. As the German threat grew, the Czech government acquired control of Skoda, French interests remaining as a minority. Shortly before the Munich accord in 1938, the French sold out to Germany. When the protectorate was set up, the stock held by the Czech Government was confiscated and turned over to the Hermann Göring Werke, controlled by the German Government. Privately owned shares were not touched throughout the war, and dividends were paid regularly. This block of stock was confiscated at the time the plant was nationalized in the fall of 1945. The stock-holders were not compensated and probably will not be.

13. During the war, the Germans seized control of Skoda and exercised control through the chairman and members of the board of directors. The management of the various Skoda plants remained in Czech hands but enough trustworthy Germans were placed everywhere to prevent any kind of sabotage or passive resistence. Czech employees were dissatisfied with the political situation, and although they did not resist openly, their efficiency was low in comparison with similar German factories.

14. With the advent of the war, the Germans introduced the manufacture of their own models of guns. At first they ordered only parts and groups, while final assembly took place in German plants. This arrangement, however, was unsatisfactory since Skoda facilities were not being fully utilized. Later, complete units were turned out. Greatest production was achieved in the manufacture of 88-mm. anti-aircraft guns. It is estimated that about 150 a month were turned out. During the latter part of the war, two powerful types of 75-mm. anti-aircraft guns with a muzzle velocity of over 900 meters per second were also furnished.

15. The section at Skoda handling the manufacture of military vehicles was fully booked with orders for Rumania when the war broke out. Since Germany needed Rumanian gasoline, deliveries continued until the order was filled, that is, until 1941. In 1942 and 1943, this section produced the German half-track Hkl-6 Hannomag. In 1942, there was collaboration with the firm of Dr. H. C. Ferdinand Porsche in Stuttgart, and some parts and assemblies were furnished for the large tanks: Porsche-Ferdinand Tiger, Porsche 180, and Maus (130 tons). The quantity was small, however.

16. In 1944, the final production program of this war was inaugurated, which centered around the production of the 38-ton Panzerjaeger Model 1938 Czech, also called the G-13. This vehicle was designed by Ceskomorevska-Kolben-Danek CKD, formerly known as the Czecho-Moravian Machine Factory. It was developed from their 38-ton medium tank model 1938 Czech. This vehicle weighed about 14 tons and was rather well armored with slanting sides all around. It had a powerful 75 mm KwK 39 Kampfwagen Kanone Model 1939 and a speed of about 38 km/h.

17. This tank destroyer was introduced at the time when the Germans realized they would be pushed back on all fronts. It was calculated to hold back enemy tanks irrespective of their size. Since Germany needed a great number of them, the original program called for 1000 destroyers from both the Skoda and CKD. Considerable expansion of manufacturing facilities was necessary to attain this high figure. Several hundred machine tools which were needed were requisitioned from various plants in Germany that had been damaged by air raids. The production schedule was a long way from being met. The first vehicles came off the production line in August 1944. About 300 were turned out by Skoda up to the end of the year and about 600 more before the end of the war. CKD made about 1800 altogether. Large supplies of half-finished parts and assemblies were on hand at both plants when the war ended.

18. The Skoda Works underwent five air raids between May 1943 and April 1945. The first four did not cause much damage. The last raid, however, on 25 April 1945, destroyed 50 percent of the buildings and 30 percent of the equipment in 40 minutes of bombing.

19. Soon after the liberation of Pilsen by the American army on 6 May 1945, the work of rebuilding the Skoda plant began. Between September and the end of the year, practically all departments went back into at least partial operation. The completion of reconstruction took most of 1946. While the achievement was good, it cost a great deal of money in the bargain, since at least 14,000 Skoda employees were put to work building and laying bricks and, at the same time, were being paid according to their average earnings in the past.

20. Because of the financial reform in November 1945, which tied up all accounts and permitted payments of no more than 500 Kcs. to each individual, it did not make much difference how much was paid in the old currency to cover wages. However, in 1946 the government was obliged to advance funds for rebuilding which must have amounted to an enormous sum since a number of plants, other than Skoda, were being renovated.

21. The expansion of the Skoda Works during the war was not especially great. The most important new units are the locomotive shop in Pilsen, the gun factory in Dubnica, Slovakia, and the light metal foundry at Hradec Kralove.

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22. The Dubnica plant, which had several underground shops, was badly damaged by the retreating Germans. Approximately 50 percent of the plant has been reconstructed. Further expansion is planned. It is anticipated that the production of guns will be transferred to this plant from Pilsen.

23. The production of military vehicles and tanks will be discontinued in Pilsen. The Five Year Plan has provisions for the building of an entirely new tank factory somewhere in Eastern Moravia, near the projected Oder-Danube canal. In this connection, Unicov was mentioned but the source was unable to identify the locality more definitely. It is expected that the foundries and forging shops in Pilsen will also be transferred to this location at a later date, and it is probable that a rolling mill for armor plate will be set up.

24. At present, there is little activity in the ordnance section of the Skoda Works. The pieces undergoing repair and reconditioning in the ordnance shop are for the most part German and Russian war models which will be used temporarily by the Czech army. The 210-mm coast artillery guns previously mentioned are being finished for the Russians. Some Stuha 40's have been assembled and are used in the G-13 tank destroyer. A certain number have been sold to the Swiss and some have gone to the Czech government. Several German radar units, mostly of the type carried on railroad cars, are being repaired at Skoda for the Czech Army. So far as the source knows, this work has been delayed by the lack of parts, in particular of radar tubes.

25. The section which handled the production of military vehicles has converted to the manufacture of farm tractors. Other sections engaged in making other non-military goods are kept busy, but the number of employees at the Pilsen plant is now only about 14,000, as against 23,000 during the war. The workers' efficiency is also lower than it was before the war.

26. The Czech Army had not yet decided by February, 1948, what sort of weapons to use. Opinion was apparently divided, some advocating the development of new arms and others a complete merger with the Russian army. Because of the Communist coup, it is anticipated that the second line of thought will prevail.

27. Little can be said with certainty about Russian influence at Skoda. The Russians have always bought machinery and equipment there. They were considered good customers before the war. They were quite particular but they paid well. After the war, there was no visible sign of Russian influence. Since Skoda manufactures ordnance, it is, however, subject to close control and supervision by the Czech military authorities (Ministry of National Defense), who, in turn, are controlled by the Russians.

28. The engineering section at Skoda, which contains many experienced men, is of relatively high caliber. Some good engineers, however, have found themselves pigeon-holed for political reasons since the coup in February. Although Skoda personnel are not lacking in brains, the engineering department is primarily qualified for improving existing contrivances rather than for new departures in research, for example, in radar or the electronic (proximity) fuse. During the last war there were attempts to develop rockets independently but these were unsuccessful. A number of mortars were designed and tested, with fairly satisfactory results. Some were very large in size: 210 mm and 305 mm. None were produced on a large scale, however.